

## **Historic, Archive Document**

Do not assume content reflects current scientific knowledge, policies, or practices.



# THE AGRICULTURAL SITUATION.

## A BRIEF SUMMARY OF ECONOMIC CONDITIONS

ISSUED MONTHLY FOR EXTENSION WORKERS AND THE STAFF BY THE BUREAU OF AGRICULTURAL ECONOMICS, U. S. DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

---

February 1, 1923.

Vol. III, No. 2.

### ON THE WHOLE, SLOW IMPROVEMENT

---

Much the same things that could be said of the situation a month ago can be said now. Farmers are planning for another season; potatoes and spring crops are already going into the ground in parts of the South. In other words, eyes are turned to the front.

The figures of livestock on farms as of January 1, show about a 10% increase in numbers of swine, over last year. This was the quite logical reaction to a rise in average farm price of hogs of more than a dollar a hundred pounds, with relatively cheap corn. Furthermore, the pig census made in December, indicated intentions to breed about 15% more sows for spring farrowing than a year ago. The hog situation is distinctly something for stock farmers to keep an eye on.

It appears that there was a slight increase in dairy cows and in other cattle during the year. Sheep increased a million head - natural response to a three-dollar-a-head price rise. Numbers and value of horses declined, as they have done for several years. The "gasoline horse" has evidently made a very real impression on one animal industry. Which does not alter the possibility that this may be a good time to start raising a colt.

The possibility that the country has increased its meat animals nearly enough to absorb the recent crop surpluses is suggested by the fact that during the last three months, trend of animal prices has been relatively lower and crop prices relatively higher.

The Cotton Belt continues to stand out as a region of improved conditions. Its higher prices represent a real influx of new money, not merely trading between farmers or other groups within the territory. The South has been buying some northern pork and lard, - a fact which should be hitched up to the well-sustained price of hogs all fall.

In fact, the "home market" has been a real market for farm products this winter. Active industry and high wages have spelled increased consumption of meat, bread, vegetables, wool, and cotton. Farmers now making spring plans must decide, among other things, how much the European outlook narrows the bets for next fall.

## REGIONS AT A GLANCE

---

THE EAST - More or less buried under snow. Had considerable cold weather and bad storms. Milk prices working lower, with uneasy undercurrents in dairy industry. Ice harvest and woods work going forward.

---

COTTON BELT - Cotton ginning figures indicate total crop somewhat below estimates. South optimistic; buying much more freely; talking bigger cotton acreage. Considerable plowing and field work being done.

---

CORN BELT - Weather mild. About 25% more cattle on feed than last year. Estimated nearly half of sheep and lambs on feed would go to market during January. Corn Belt generally optimistic. Talking more pigs.

---

WHEAT BELT - Eastern belt continues to get moisture and winter grain looks good. Western part of belt badly in need of rain. Practically no snow covering anywhere, but weather generally mild. Wheat men inclined to be dubious over European outlook.

---

RANGE COUNTRY - Had some rain but needs more, especially in South. Winter range generally open as far north as Montana. Lambing begun in Arizona. Sheepmen feeling better, on the whole, than cattlemen.

---

PACIFIC COAST - Winter truck in fine shape. Orange picking and shipping continues. Southern California in need of rain. Some uncertainty among wheat growers in the North. Coast generally in good condition.

---



AVERAGES PRICES, AT THE FARM, OF REPRESENTATIVE PRODUCTS  
Month Ending January 1, 1923

Actual prices received at the farm by producers. Average of reports covering the United States weighted according to relative importance of county and State. Figures compiled by Division of Crop and Live-Stock Estimates of this Bureau. Quotations in dollars or cents.

Shows 1913, year ago, and latest available month.

	<u>Dec.</u> <u>1913</u>	<u>Dec.</u> <u>1921</u>	<u>Nov.</u> <u>1922</u>	<u>Dec.</u> <u>1922</u>
Cotton, per lb.	¢ 11.7	16.3	23.8	24.5
Corn, per bu.	¢ 69.6	43.4	65.7	69.6
Wheat, per bu.	¢ 81.0	93.3	100.9	105.6
Hay, per ton	\$ 11.70	11.33	11.81	11.84
Potatoes, per bu.	¢ 68.4	108.6	58.1	59.3
Beef cattle, per 100 lbs.	\$ 5.96	4.62	5.29	5.28
Hogs, per 100 lbs.	\$ 7.16	6.52	7.78	7.63
Eggs, per dozen	¢ 30.7	44.9	46.1	44.2
Butter, per lb.	¢ 29.2	40.3	42.0	43.8
Wool, per lb.	¢ 16.1	16.9	33.2	35.3

Cotton, corn, wheat, and wool continued their advance.

Eggs showed beginning of their usual seasonal decline.

The other products about held their own.

PRICE INDEXES FOR MONTH ENDING JANUARY 1

1913 = 100

Farm products figures from this Bureau; commodity groups from Bureau of Labor Statistics. Shows year ago, and latest available month:

Farm Products  
(Prices at the farm)

	<u>Dec.</u> <u>1921</u>	<u>Nov.</u> <u>1922</u>	<u>Dec.</u> <u>1922</u>	<u>Month</u> <u>Trend</u>
Cotton	130	192	198 - - -	Higher
Corn	72	111	117 - - -	Higher
Wheat	118	129	135 - - -	Higher
Hay	110	115	107 - - -	Lower
Potatoes	173	90	92 - - -	Slightly higher
Beef cattle	78	89	89 - - -	Same
Hogs	89	104	102 - - -	Slightly lower
Eggs	265	239	229 - - -	Lower
Butter	152	155	162 - - -	Higher
Wool	101	199	211 - - -	Higher

Commodity Groups  
(Wholesale Prices)

	<u>Dec.</u> <u>1921</u>	<u>Nov.</u> <u>1922</u>	<u>Dec.</u> <u>1922</u>	<u>Month</u> <u>Trend</u>
Farm products	113	143	145 - -	Higher
Food, etc.	139	143	144 - -	Higher
Cloths & clothing	185	192	194 - -	Higher
Fuel & lighting	187	218	216 - -	Lower
Metals & met. products	119	133	131 - -	Lower
Bldg. materials	203	185	185 - -	Same
Chemicals, etc.	161	127	130 - -	Higher
House-furnishing goods	218	179	182 - -	Higher
<u>All Commodities</u>	149	156	156 - -	<u>Unchanged</u>

# RELATIVE PURCHASING POWER

(At December 1922 Farm Prices)

1913 = 100

## Of a Unit of:

<u>In terms of:</u>	<u>Cotton</u>	<u>Corn</u>	<u>Wheat</u>	<u>Hay</u>	<u>Potatoes</u>
All commodities	127	75	86	69	59
Cloths, etc.	102	60	70	55	47
Fuel, etc.	92	54	63	50	43
Metals, etc.	151	89	103	82	70
Bldg. materials	107	63	73	58	50
House-furnishing goods	109	64	74	59	51

	<u>Beef cattle</u>	<u>Swine</u>	<u>Eggs</u>	<u>Butter</u>	<u>Wool</u>
All commodities	57	65	147	104	135
Cloths, etc.	46	53	118	84	109
Fuel, etc.	41	47	106	75	98
Metals, etc.	68	78	175	124	161
Bldg. materials	48	55	124	88	114
House-furnishing goods	49	56	126	89	116

Purchasing power index improved over previous month in case of cotton, corn, wheat, butter, wool. Declined in case of hay, swine, eggs. Potatoes and beef cattle practically unchanged.

The general index of purchasing power of farm products in terms of other commodities, as worked out by this Bureau, advanced two points and stood at 68 for December.

# PRICE AND PURCHASING POWER INDEXES

Yearly Averages Since 1913

Index numbers of average prices to farmers of 10 leading crops and 6 classes livestock.

Purchasing power based upon prices of crops and livestock at the farm, and Department of Labor index of wholesale prices of other commodities.

Compiled by Division of Crop and Live-Stock Estimates of this Bureau.

	Crop Prices	Livestock Prices	Farm Product Prices	Commodity Prices Excluding Food & Farm Products	Purchasing Power of Farm Products in terms of other commodities
1913	100	100	100	100	100
1914	108	103	106	94	112
1915	110	95	103	97	106
1916	124	111	118	132	89
1917	208	164	186	176	106
1918	224	192	202	186	112
1919	234	198	216	195	111
1920	238	168	203	234	86
1921	109	107	108	161	67
1922	113	111	112	163	69

Here, in a nutshell, is the picture of agriculture's position in the general economic scheme, covering one of the most eventful decades in our history.



## THE COLD STORAGE SITUATION

---

January 1 holdings (Figures show nearest thousand):

<u>Commodity</u>	<u>5 Year Average</u>	<u>Jan. 1, 1922</u>	<u>Dec. 1, 1922</u>	<u>Jan. 1, 1923</u>
Creamery butter, lbs.	51,093	48,411	47,411	26,941
American cheese, lbs.	40,316	27,690	37,291	33,659
Case eggs, cases	976	889	3,257	1,310
Total poultry, lbs.	88,703	103,697	51,781	100,122
Total beef, lbs.	243,276	84,807	95,628	116,222
Total pork, lbs.	566,574	415,096	419,498	567,312
Lard, lbs.	65,657	47,541	32,506	47,705
Lamb & mutton, lbs.	20,986	6,444	3,633	4,528
Total meats, lbs.	916,615	565,603	569,165	751,601
Apples, bbls.	5,247	5,429	6,743	6,376

Stored stocks of butter, cheese and eggs were further drawn on last month. Stocks of butter low.

Poultry, meats and lard went into storage in considerable volume. Stocks of pork in storage now up to average.

Meats stocks considerably exceed year ago, though still below average.

# SIGNIFICANT MOVEMENT OF FARM PRODUCTS

Figures show corn, hogs, cattle receipts at primary markets; butter receipts at 5 markets; wheat (including flour) and cotton exports. Receipts from this Bureau; exports from Department of Commerce. All figures given to nearest thousand.

Month	CORN		HOGS		CATTLE		BUTTER		WHEAT		COTTON	
	Receipts		Receipts		Receipts		Receipts		Exports		Exports	
	Th.	Bu.	Thousands		Thousands		Th.	lbs.	Th.	Bu.	Th.	Bales
1921 Dec.	39,723		3,911		1,415		37,172		15,014		640	
1921 Total	340,908		41,040		19,764		569,340		350,460		6,475	
1922 Jan.	52,097		4,278		1,628		41,697		14,985		475	
" Feb.	58,330		3,612		1,416		38,894		10,991		338	
" Mar.	31,035		3,411		1,622		44,919		14,371		461	
" Apr.	14,552		3,067		1,470		42,694		10,244		612	
" May	27,083		3,737		1,878		68,893		14,267		469	
" June	31,157		3,776		1,759		93,139		18,200		491	
" July	25,975		2,980		1,709		92,829		19,098		374	
" Aug.	24,380		3,037		2,149		62,494		38,964		273	
" Sept.	35,296		3,062		2,373		46,419		31,839		369	
" Oct.	32,477		3,682		2,936		41,351		25,077		799	
" Nov.	23,925		4,421		2,427		38,678		17,578		858	
" DEC.	37,466		5,004		1,825		38,475		16,428		608	
" Total	393,773		44,067		23,192		650,482		232,042		6,127	

Corn movement heavier for the month, and the year.

Hog movement likewise heavier than last year.

Wheat and cotton exports fell off in December. Total exports for year smaller in case of wheat and somewhat smaller of cotton than in 1921.

GENERAL BUSINESS INDICATORS  
RELATED TO AGRICULTURE

	1921 Dec.	1922 Nov.	1922 Dec.	Month's Trend
<u>Production</u>				
Steel ingots (Thou. tons)	1,631	3,303	3,178	Decrease
Bituminous coal (Thou. tons)	31,627	45,262	46,450	Increase
Cement (Thou. barrels)	6,559	11,349	8,671	Decrease
Automobiles shipped (Thou. carloads)	12	27	27	- - - -
<u>Consumption</u>				
Cotton by mills (Thou. bales)	511	578	528	Decrease
Unfilled orders Steel Corp. (Thou. T.)	4,268	6,840	6,746	- - - -
Building contracts (Millions dollars)	- - -	244	- - -	- - - -
Hogs slaughtered (Thousands)	3,806	2,918	5,201	Heavy increase
<u>Movements</u>				
Bank clearings (N.Y.) (Billions dollars)	18	17	19	Increase
Car loadings (Weekly av., Thousands)	683	947	839	Decrease
Mail order sales (Thou. dollars)	24,506	31,201	32,385	Increase
Wholesale Price Index (Dept. Labor)	140	156	156	Unchanged
Unemployment in Pa. (Thousands)	322	28	22	Improved
Interest rate, Coml. Paper (60-90D)	5.13	4.38	4.63	Slightly higher
Argentine wheat shipments (Thou. bu.)	2,782	6,449	6,972	Increase

It has been many a year since urban industry enjoyed a more prosperous winter, on the whole, than this one. Labor is fully employed, at relatively high wages.

The prosperity among urban workers unquestionably accounts for some part of the sustained demand for certain farm products. The "home market" is no fiction this winter.

It seems apparent, however, that current industrial activity represents, in considerable part, the effort to catch up with cumulative needs for railway equipment, houses, roads, automobiles, and textiles. When that war-born vacuum will be filled up remains to be seen, though next fall is likely to find at least part of it filled.

Meanwhile, bidding for labor continues, with wages tending higher.



## THE NEW LIVESTOCK ESTIMATES

---

The estimates of numbers of livestock on farms in the United States, as of January 1, were released last week by the Crop Reporting Board of this Bureau.

All figures given in thousands, three ciphers omitted:

	<u>1920</u>	<u>1921</u>	<u>1922</u>	<u>1923</u>
Horses, number	19,766	19,208	19,056	18,853
Mules, "	5,427	5,455	5,467	5,506
Milk cows, "	23,722	23,594	24,082	24,429
Other cattle, number	43,398	41,993	41,550	41,925
Sheep, "	39,025	37,453	36,327	37,209
Swine, "	59,344	56,097	57,834	63,424

Horses, value per head	\$ 96.51	\$ 84.31	\$ 70.54	\$ 69.75
Mules, " " "	148.42	116.69	88.09	85.86
Milk cows, " " "	85.86	64.22	50.98	50.83
Other cattle, value per head	43.21	31.36	23.80	25.67
Sheep, " " "	10.47	6.30	4.80	7.50
Swine, " " "	19.07	13.97	10.07	11.46

Horses declined slightly in numbers and value, compared with last year.

Dairy cows increased slightly in numbers.

Other cattle increased somewhat in numbers and value.

Sheep increased materially.

Swine show most marked increase of any class.



## STATUS OF CREDIT LEGISLATION

V. N. Valgren

In Charge, Division of Agricultural Finance, B.A.E.

---

On the question of intermediate credit legislation in Congress, the Senate has been moving considerably faster than the House. Three different plans have attracted special attention.

In the Senate, the Capper bill has already been passed, while the Lenroot bill has been favorably reported by the Committee on Banking and Currency and has been given some consideration on the floor of the Senate. The Norbeck bill is still in Committee.

The Capper bill as passed by the Senate authorizes, under Federal charter, private corporations to be organized and operated like existing national banks for the profit of their stockholders and supervised by the Comptroller of the Currency. These corporations are to have a capital stock in a minimum amount of \$250,000 and may issue debentures to an amount not exceeding ten times their paid-in capital and surplus. Such debentures must be based on live-stock paper or on agricultural paper when secured by warehouse receipts. Larger rediscount corporations with a capital stock of not less than a million dollars may also be organized. Corporations of the kind here contemplated are most likely to be organized in live-stock districts. The bill increases the maximum term of discount for Federal reserve banks on agricultural and live-stock paper from 6 months to 9.

The chief feature of the Lenroot-Anderson plan is the provision for a farm credits department in each of the twelve Federal land banks. Each such department is to have a capital of \$5,000,000 which is to be subscribed by the Federal Treasury as called for by the bank. In times of stress the capital of each farm credits department may, with the approval of the President of the United States, be increased to \$10,000,000. Debentures may be issued by the farm credits department in an amount not to exceed ten times its capital and surplus. Such debentures must be based on agricultural and livestock paper discounted for or purchased from banks and other financial institutions or co-operative marketing associations. Paper so discounted or purchased may run for a term of not less than six months or more than three years. The assets and liabilities of the farm credits department are made separate and distinct from the assets and liabilities of the existing farm mortgage department in each Federal land bank. Hence, farm loan bonds as at present issued will in no respect be affected.

The Norbeck-King bill provides for an intermediate credit system which is based to a considerable extent on the existing War Finance Corporation whose resources are to be taken over by the proposed agency. While many advantages are claimed for this bill, it fails to utilize existing machinery to the extent that is done by the Lenroot-Anderson plan.

## OUR PEASANT COMPETITORS AND THE WHEAT CROP

Louis G. Michael

---

(Mr. Michael has recently returned from Southeastern Europe, where he has been investigating conditions for the Department of Agriculture.)

Our agricultural competitors in Southeastern Europe - the Serb, the Bulgar, the Slovak, the Roumanian and all the rest of them - are queer combinations of extremes. There conservatism in agricultural operations almost bends them backwards; while their present political progressiveness nearly throws them on their faces. They must be conservative in agriculture because it means - I was going to say their "bread and butter"; but comparatively few eat white bread except on holidays, and almost none have ever tasted butter. Our conservative competitors are cheap laborers receiving 20-25 cents for a day, from sun-up to sun-down. On the other hand, the real labor competition is between the self-binder driven by one man or even a boy in America against dozens of men and women snipping along with the back breaking sickle in Europe. And, so, we shall for a time, at least, more than hold our own. How long that will be depends upon many things.

The situation is this. The great war brought much suffering and many hardships to the peasants - the farmer folk - of Europe. But it also took the young men into foreign lands and they saw how other people lived. To the many, these new sights became memories - to the few, visions of a better future for themselves and their fellows. The great thing they lacked was land enough from which to wring a respectable living, although on every hand were great stretches of fertile fields owned by a few who lived in luxury. In Roumania, for example, 0.9% of heads of families owned 50.9 per cent of the land, while 99.1% of heads of households (the peasants) owned 49.2% of the land. The 99 couldn't support their families and became almost slaves of the super-imposed 0.9.

After the war the ninety and nine organized under those who had seen the vision and demanded more land. When they didn't get it they rose together and began to burn and destroy; and, then, the land was given them. They desired to live better and had a right to live better and began to live better. But they upset national economic situations and government budgets in the process.

The large estates, in times passed, produced vast amounts of wheat - the whole farm organization being built up around wheat production, just as in Iowa it is built up around corn and hog production. These large owners had no patriotic motive in growing wheat. They grew wheat for the cash it brought them and that cash was expended largely abroad at the luxury centers - Paris, Berlin. But they produced much more wheat than the cities ate (the peasants ate but little white bread) and the excess was exported abroad. This created a balance of trade in favor of the exporting nation and kept its money up to par. In a sense the greed of the few reacted to the benefit of the many.



When the peasant got hold of the land he began to grow the things he wanted to grow - more corn, more barley, more oats. Wheat took a tumble. The results of the tumble was somewhere around a hundred million bushels less export wheat in 1920, if we take all of the Danube States together. This played havoc with balances of trade and the exchange value of the money of most of these countries took a big drop. The State and the city dwellers suffered and accused the peasants of disloyalty to the Government for not growing wheat.

But what can the peasant do? In 1921, in Roumania, when the world market for wheat was above a dollar the government fixed the price at 32-34 cents per bushel and demanded that the peasant deliver half of his wheat to the Government for export so that the State could profit by the difference between thirty-four cents and a dollar; and further demanded that he deliver the other half to the Government agents to be sold to the city dwellers who thus got their bread at about a third of what the rest of the world was paying. The peasants in Roumania then began eating their own wheat. In Italy under similar conditions they fed it to their cattle. In Hungary a high export tax was put upon flour. The millers couldn't pay the farmer a profit for his season's labor and still produce flour cheap enough to compete with American flour in the market of Hungary's nearest neighbor, Austria.

These conditions, under which the peasant is placed, are discouraging wheat production. On the other hand he wants to see his fields producing and in Austria, Hungary and Bohemia, he is putting in more forage and fodder plants and even letting some of it go to meadow in order that he may produce more cattle, pigs, sheep, goats, and to a lesser extent, horses.

Great crises have forced these changes in these three countries where agriculture is a practice, rather than the blind following of custom and habit. In other countries agriculture has retrograded from highly specialized wheat production to simple peasant general farming, that is handed down from generation to generation with other customs.

In many of these countries, this means that the field work has fallen largely to the lot of the peasant woman. The woman is conservative, frugal, never sparing of herself, resistant to change. She will work herself and her children from sun-up to sunset, preparing the seed bed with a hoe, or with a forked branch of a tree drawn by a cow; but she would never put any considerable part of her scanty earnings into a modern plow that would save her time and strength. She prefers long hours with the sickle to leisure that might be hers through the use of some kind of a harvesting machine. What would she do with leisure? Her husband has that for his drink and dreams. She does not read and can always pray. She is skeptical of new sorts of seed; and prefers the evil that she knows to that she knows not of. In Slovakia, Ruthenia, Bucovina, Bessarabia, parts of Roumania and Jugoslavia changes from the primitive present agriculture will be slowly effected. It will take generations to make a dent. And without that dent wheat production in these sections will probably remain near low ebb and will probably never return to pre-war high flood.

## THE OUTLOOK OVER THE COUNTRY

---

The following quotations sum up the trend of sentiment regarding the agricultural outlook among well-informed men. These represent opinion as of the first of the year:

### MAINE

"Agricultural conditions in Maine are not as good as they have been for the past two years due to small crops coupled with the generally low prices. In 1921 we had big crops of apples, potatoes and sweet corn which with the comparatively good prices received left our farmers in a relatively good position. This year we have had small crops in each of these three lines and much lower prices than last year. The result is that the purchasing power of farmers is the poorest it has been.

"In Aroostook County, the potato section of the State, a considerable number of farmers will be unable to secure fertilizer for the coming season because of credit conditions. This will mean a slight decrease in acreages, which, however, may be made up to a certain extent, by increases in other sections.

"Dairying is due to suffer within a few years because of the decrease in number of calves being raised, although dairying is now in a relatively good position compared with other enterprises. Poultry is on the increase and paying well.

"It is too early at this time to predict just what will take place the coming season, although I shall look for a normal plant in all crops except potatoes." M. D. Jones.

### ARKANSAS

"The outlook for the coming year in Arkansas is decidedly better than a year ago. The cotton crop was reasonably good and the prices also. For the first time in my recollection and perhaps in her history she stands second among the States in the production of the fleecy staple.

"Much progress has been made in this State in the organization of commodity marketing associations. The cotton marketing association is functioning this year whereas the rice association and the sweet potato association are in their second years business. The strawberry growers are partly organized and the apple growers are in process of organization along the lines of the commodity associations.

"There will probably be a considerable increase in the cotton acreage next year and it will be a task to hold the farmers down to the idea of producing enough feed and food for their own use. The general situation is optimistic." A. D. McNair.



## GEORGIA

"Conditions in Georgia for the State as a whole, are rather favorable at the present time. The Georgia farmers produced 725,000 bales of cotton, for which they received an average of about 23¢ per pound, which means a total valuation of \$83,375,000. In 1913, which was practically a normal year for Georgia, as well as other sections of the United States, the cotton grown was 1,328,000 bales, which sold for about 12¢ per pound, making the total valuation of Georgia's principal crop \$82,580,000. You can see that the farmers income, taking the State as a whole was about normal for 1922. This does not tell the whole story, however, for two reasons. In the first place, the dollar has not reached its pre-war purchasing value, and in the second place the Georgia farmers are still burdened with debts resulting from the 1920 debacle.

"The total figures for the State do not present a true picture of conditions. There is a very large territory embracing about one-third of the State known as the Piedmont section, undergoing that panicky feeling which always follows the boll weevil, and is hurting that section of the country considerably more than deflation. The negroes are leaving this section by the trainload and hundreds of carloads of mules have been sold from the farms. This means that a great deal of land will not be cultivated next year. A part of this territory had made a fairly good start toward developing a dairy industry, but the severe drought cut down the feed supply so that they are selling off some of their dairy stock. This section of the country has no fences and no pastures, so the development of any sort of livestock industry to take the place of cotton would be a slow process. The prospect is a gloomy one for the entire Piedmont section of Georgia, although conditions are probably little, if any, worse than they were in any other section of the South immediately following the advent of the boll weevil. Since every other section has recovered in a measure their former prosperity, I do not believe conditions are hopeless for the Piedmont section of Georgia. It means, however, a long up-hill climb.

"In the Coastal Plains section, known as South Georgia, the farmers have recovered their morale and produced a fairly good crop of cotton last year, which is selling at a good price. Although the peanut acreage was considerably reduced, the price has been high this year. The farmers of this section are feeling rather optimistic and will go back to cotton farming on a larger scale than at any time since the boll weevil first came to that section. Some people who let their enthusiasm for diversification run away with their better judgment might say that the return to cotton is a reactionary movement. I believe, however, that six years of experimenting with other crops has shown conclusively that where cotton can be grown at all it is the only crop that can be depended upon for permanent prosperity and the more cotton that farmers can grow the better off they will be." De F. Hungerford.

### OHIO

"Conditions here in Ohio seem to be improving considerably in the last month. The year 1922 has not been as good a year in Ohio as in the United States as a whole, according to our figures here. This is largely due to the slump in milk and the fact that cotton has helped the United States as a whole but has not affected the Corn Belt States. In the last month milk has greatly improved, the price now in Cleveland being \$2.80 per cwt., which is a big improvement compared to two or three months ago.

"Sheep and wool are undergoing a real boom because of the good price for wool and corn has greatly improved in price. Wheat prices while they are booming somewhat are still not very good. Professor Falconer's index number for Ohio farm products which was 120 a year ago is 131 for this November. Of course December will show a still greater improvement.

"I find in going around the State that farmers as a whole are feeling more optimistic, in fact are feeling a whole lot more like a year ago along toward spring when the strikes again interfered with normal improvement. I think that most men feel that if things continue improving, strikes and other things eliminated, conditions will gradually improve. However, the conditions of last summer have made most men feel that they cannot predict future conditions with any degree of assurance." R. F. Taber.

### ILLINOIS

"Hopeful expresses the attitude of many Corn Belt farmers in this section. Sixty cent corn and eight cent hogs have done much to dispel the gloom of the past two years. Good weather to pick corn when labor was scarce and high priced has enabled the farmer further to carry out his plan to do the job himself and cut expenses to the minimum. This combination of circumstances has given the farmer more ready money than he has had for some time in many sections.

"Enough land has changed hands to get people to thinking in terms of \$200 to \$250 Corn Belt land. The price of land seems to have dropped less in livestock than in grain sections of the State, which is doubtless due to the relative prices of livestock and grain.

"As to the future, large numbers of cattle have gone on feed. New Hands at the feeding game have bought heavily. On the other hand, it is noticeable that many old time feeders have laid off, are feeding a smaller number of cattle, or are using their opportunity to sell at a small margin, indicating some skepticism on the part of the experienced.

"Many calves have been sold to feeders direct from the range. If the price holds steady, it will do much to encourage this direct handling of feeders, though some were sold at a high figure. If this practice develops in the best way the range people must appreciate the importance of "standardizing" and "grading" their product, and share the profit with the buyer."



"The unexpected holding steady of hog prices is encouraging a large production of hogs for next spring.

"The prospect of a labor shortage and high wages is causing some worry. Some thinking farmers are saying that this is not serious as long as the market demands meat products. "Let livestock harvest the crops" will become less of a figure of speech and more of a general practice under such a situation." H. C. M. Case.

### INDIANA

"The Indiana farmers regard the 1923 economic conditions with a little more optimism than they did the 1922 conditions. They are thinking more seriously than every about adjusting production to the apparent demand.

"The intelligent farmers are doing this by developing a higher quality, better balanced farm business in which the minimum amount of high priced labor will be required.

"The present conditions indicate also that the unintelligent competition will continue to grow less. Farmers are still far from being enthusiastic and are concerned greatly with the relative price of their products. Managers of other businesses, however, are, in many cases, optimistic and apparently believe that the relation of the price of their products to agricultural products is unimportant. This condition may tend to retard general progress." Walter V. Kell.

### KANSAS

"The outlook for the coming year among the farmers of this section is perhaps a little brighter than it was last year. The growing wheat in the eastern half of the State is in good condition and prospects look good for an average crop, at least as far as the stand and growth at the present time is concerned.

"The wheat in the western part of the State is not in as good condition, it having been dry in the early fall soon after sowing, and a great deal of it did not come up until very late.

"There is more stock on the farms over the State than was found there last year, and there is quite a lot of cattle in the feed yards. Corn was a fair crop in most sections of the State and is selling at a good price so far this winter.

"Market prices for hogs and cattle are holding their own fairly well.

"Taking everything into consideration, I believe the prospects are brighter than last year at this time." I. N. Chapman.

### NEBRASKA

"The economic outlook for Nebraska farmers for 1923 is better than the outlook one year ago at this time though it is yet far from satisfactory. Corn, hogs, wheat, butterfat and eggs are about pre-war prices which is very encouraging to farmers. The greatest discouragement comes from the fact that while farm prices are about

pre-war the things farmers buy are still about fifty per cent above pre-war levels.

"The outlook for 1923 hinges on present conditions and takes a variety of angles. In the corn and feeding section the corn growers and hog feeders are optimistic with the hopes of once more getting onto their feet while the feeders of beef cattle face a very uncertain outlook. The potato sections of the State are badly crippled. Some men left their potatoes in the ground which proved more economic than to market them. For instance, one farmer near Gordon shipped eight carloads with a total return of only \$49 from his brokers. The sugar beet farmers who contracted at \$5 per ton and the sliding scale last spring were recently cheered with another dollar per ton bringing the price received up to \$6 with prospects of a small addition later on. In a part of the winter wheat section not only was the crop very poor last summer but the autumn was so dry that a smaller acreage was planted with some of that coming up so spotted and so late that it is uncertain how it will come through the winter." E. L. Taylor.

#### SOUTH DAKOTA

"Our farmers are not in greatly different position financially from what they were a year ago. In other words, they have about held even and managed to pay taxes and interest, although the men who are heavily involved have not been able to do this. The grain growing sections of the State are in somewhat better condition than are those that make potatoes a main crop. Farmers as a whole are not overly optimistic, although feeling a little more cheerful than they were six months to a year ago. I look for some reduction in acreage of practically all of the grain crops, with the possible exception of corn, and feel that this would be desirable. I also look for reduction in potato acreage. The hog business is increasing and it would not be surprising to see a considerable increase in the number of swine raised in the State next year. Beef cattle seem to be about at a standstill. There is not as yet much tendency toward restocking the ranges, although there are a great many cattle on feed in the corn growing sections of the State. Sheep raisers are in relatively good position and are increasing their flocks as rapidly as practical. There is also quite a tendency to swing toward dairying, although the dairy cow is not overly popular with a great number of South Dakota farmers as they prefer, in normal times, other types of farming." M. R. Benedict.

#### MONTANA

"On the whole but little changes are anticipated in Montana agriculture for 1923. There is a rather marked tendency to increase the sheep, turkeys and alfalfa seed. Wheat, flax, range cattle and horses will probably remain about the same. Potatoes will undoubtedly decrease in acreage.

"Range Cattle - Range men on the whole are feeling blue, but anticipate better prices for 1923. The pressure of liquidation has



caused most of the fat stuff to be moved this fall. The cattle men are heavily in debt, and if next years beef is not sold at more remunerative prices, many cattle men will go into bankruptcy. The number of she stuff on the ranges is about normal.

"Sheep and Wool - Sheep and wool are on a firm foundation. Prices of ewes are such that the owner can pay out. They are selling from \$11 to \$12 and considered not inflated in relation to present lamb and wool prices. The tendency in 1920, 21 was to oversell lambs because of high prices and pressure from creditors. However, enough ewe lambs have been held back to replace old range ewes.

"Horses - There is but little activity among the range horse men. Lots of the poorer classes of horses are running almost wild on the ranges - their colts not being valued high enough to brand. Slight tendency to breed the good mares by some of the better horse men.

"Dairy - Some increase anticipated - especially on irrigated lands and adapted mountain valleys.

"Hogs - Estimate 10% increase in State. This increase will be used to supply local markets, and northwest coast.

"Poultry - Turkeys very profitable last year - big increase expected in 1923.

"Wheat - No change in total acreage. Slight shift from extensive methods to more summer fallow. Also decrease on the poorer wheat lands and farms more than 20 miles from market. Some increase, however, on the better land closer to the railroad.

"Flax - Much interest. Anticipate a relative increase in acreage because of high prices. No doubt the tariff is affecting this situation.

"Potatoes - A decided decrease.

"Alfalfa Seed - Increase." M. L. Wilson.

### WYOMING

"The tone of agricultural interest generally is encouraging. Most farmers and ranchers are more optimistic than they were a year ago notwithstanding the great discrepancy between their selling prices and the cost of goods they have to buy. Grain farmers are seeding as much and, in some cases, a little more than they did a year ago and the preparations for spring work will take in as large areas as they did in 1922. Potato growers are somewhat discouraged and where sugar beets can be substituted for this crop, the potato acreage will be reduced probably twenty to twenty-five per cent, and sugar beets planted instead. Cattle interests are about stationary. Hogs are moving rather briskly and are being cleaned up with no marked disposition to re-stock as heavy as has been the custom in the past. Sheepmen are probably feeling better than any of the other interests on account of a good demand with much better prices for wool and mutton." W. L. Quayle.

### COLORADO

"Our range men who are interested in producing sheep sold their lambs at a good figure last autumn. The information which we have at hand appears to indicate that good prices will be paid for wool this coming year. Our cattle men have been liquidating and I believe they have reached a point now where they are ready to go ahead with this enterprise with the expectation that profits will be obtained from the business next year. It is somewhat early to make predictions with reference to the situation in our feed lots. However, prices at market centers do not appear to be fluctuating greatly and from present indications men who are in the feeding business appear to have a chance to make a small amount of money.

"In the dry farming districts and in some parts of the range country the precipitation for the past season was considerably below normal. This condition had a very direct effect upon crop production on the dry farms and it also had a tendency to injure the pasture conditions on the range. These are items that should not be overlooked in taking a general view of the entire situation at this season of the year.

"At the recent Farmers' Congress considerable attention was given to a discussion of cooperative marketing. The general economic situation, I believe, is driving farmers to a consideration of cooperative marketing as one of the means by which they may be able to improve their financial standing." L. A. Moorhouse.

### NEW MEXICO

"I believe we can sound a rather optimistic note concerning the outlook for 1923. We feel thus largely because conditions could not very easily be worse than they have been during 1922. The immediate cause of our depression of the past year was an unusual drouth, even for a country that is subject to periodic dry spells. During the past thirty days, we have had more than the usual amount of snowfall in the mountains, and on many of our ranges. Indications are that these snows will be continuous throughout the winter. A little over a month ago, many of the sections that had been most severely affected by the drouth had very heavy rains, which in some sections are said almost to insure next year's bean crop.

"Prices of agricultural products the past fall have been considerably better than they were a year ago, and with the prospect for normal crops in 1923, our farmers and rangemen are taking heart again.

"The activities of the War Finance Corporation in extending credit to stockmen have averted what might have been a calamity in the State. Local officials of this organization also took a leading part in securing ranges in Old Mexico where many of our starving herds could be wintered.

"On the whole, we feel that 1923 should be a big improvement over 1922, for the farmers and stockmen of the State." C. F. Monroe.



### ARIZONA

"The farmers in the entire southern half of the State are in a greater state of uncertainty than they have been for the last six or seven years. I have reference now to the kind of crops which they expect to plant the coming year. The growers of long staple Pima cotton in the Salt River Valley and the Yuma Valley are about to desert this type of cotton in favor of the short staple Uplands and yet they are not certain in their own minds as to the soundness of this movement. We are doing all we can to urge them to stay with the Pima cotton because it is our belief that during the next few years the short staple crop grown will be larger than the demand for it. In all other respects, however, the conditions are more promising than they were a year ago.

"The percentage of men who have not paid their taxes the past year has shown a slight increase over the preceding year and a good many farmers have pulled up and left. In spite of this condition, however, our mining industry is showing greater activity and the mining centers are consuming larger quantities of produce than they have been for two years. This is opening the local markets which have always been the mainstay of Arizona's agriculture and consequently will make prices generally better the coming year.

"We do not expect any marvelous changes to take place but conditions point to a steady improvement in the economic conditions of the farmer providing they can keep their production cost low enough. The prospects are very good for an adequate water supply for 1923, which in itself is a great relief to most of the farmers who will plan accordingly.

"Conditions on the cattle range are not much better although some livestock has been sold from the ranges this last fall which has eased up the straightened circumstances of the cattlemen." A. B. Ballantyne.

### OREGON

"The farmers of Oregon have not as yet recuperated from their financial "Set-back". However, the outlook for the coming year is hopeful. This is especially true with the sheepmen, hay growers, poultrymen and prune growers as viewed by their present status. Cattlemen are in bad shape. Wheat growers and dairymen are hardly breaking even. As the general farmer represents the bulk of farmers, and they have had very poor returns for the past two or three years, a summary by types of farming and sections, as follows, might appear more optimistic than conditions actually warrant.

"The wheat crop for 1922 was fully 25% less than for the banner year 1921. The prospects for the 1923 crop are excellent. Wheat growers had quickly readjusted their production cost as the price of wheat fell. So, with a good crop in sight, and with conditions approximating the normal as to production cost the outlook for returns on the 1923 wheat crop is fairly good.

"The alfalfa hay men in the irrigated sections of Eastern Oregon are having a remarkable "come-back" at present. The \$6 and \$8 price received for their 1920 and 1921 crop has suddenly increased. Some hay growers are now placing 1922 baled alfalfa on the cars for \$20 per ton,

which means from \$12 to \$15 in the stack. Such a condition has put heart back into the hay grower who was "up against it" trying to grow hay for \$6 or \$8 per ton on \$200 land and paying from \$5 to \$10 per acre water rent. Diversified livestock farming instead of growing hay for the market only will still be the reliable prescription for these areas, however.

"The optimistic condition of the hay grower acts as a boomerang on the milk producer. The dairymen of the Willamette Valley being short on the 1922 hay crop are compelled to pay big prices for hay as well as for mill feed with no corresponding increase in the price of milk. The dairyman, however, can be and has been much worse off than he is now. He is getting as near, or perhaps nearer, the cost of production than he has received for some few years. Until next spring and summer bring on possible cheaper feed there is no immediate relief in sight.-

"The sheepmen are doing well, in fact almost too well. Prices for wool have been good and lambs have brought a price considerably above the normal in relation to beef prices. Sheepmen can pay the present high prices for hay and make money. It is to be hoped their optimism will not cause too much expansion.

"The cattlemen are still in a deplorable condition. It takes a good steer to bring 6 cents. It costs more than this to feed him at present prices. Unless prices take a turn for the better many more cattlemen will be forced out. They are mortgaged to the limit now and have no ready cash.

"Despite the fact that the average price of eggs to poultrymen was less than 40 cents per dozen for the past twelve months they have perhaps received bigger returns for their labor and investment than any other class of farmers. The present high price of feed and the already falling market on eggs indicate no great future for the poultrymen for the coming year.

"The 1922 prune crop was exceptionally good and the prune grower has made some money. If the present excess supply of prunes is advantageously sold the prospects for next year should be good. Apple and pear growers received unsatisfactory returns for their crops. The car shortage had something to do with this. Canneries of vegetables and small fruits had a busy season with fair returns to the producer. Fruit men in general are hopeful." R. V. Gunn

#### WASHINGTON

"We have three general divisions of farming in this State. The coast, central Washington and eastern Washington. The coast section is much better than either of the other two since they carry on a more diversified agriculture. Conditions in the central part of the State are extremely bad. Farmers are not realizing the cost of harvesting apples and worms were especially bad this year due to climatic conditions. This led to the dumping of many tons of apples into the Columbia River. Farmers also claimed that the railroad situation is much to blame for their troubles and no doubt they are right in this case.

"Wheat farmers are unable to pay their taxes. A statement was made here two weeks ago by a prominent man of the State, that in Asotin County the returns from farmers as a whole would not nearly pay the taxes.

"I think practically all of the summer fallow ground has been seeded to wheat and everyone is doing his best to produce a good crop next year, hoping for better prices." R. N. Miller.